

**APPROPRIATION** – Specific expenditures and obligations authorized by a legislative body.

**APPROPRIATION ORDINANCE** – The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.

**ASSESSED VALUATION** – An official government value placed upon real estate or other property as a basis for levying taxes.

**BEGINNING BALANCE** – The beginning balance is the residual funds brought forward from the previous fiscal year (ending balance).

**BENCHMARKING in the City of San Diego** – A continuous, systematic, process for evaluating the services and products of the City and comparing them with private and public industry leaders. The process includes incorporating changes within the organization which assists the City in becoming an industry leader.

**BOND** – A funding tool representing a written promise to pay a specific sum (face value or principal amount) in the future (maturity date), plus interest. In local California government, bonds are only used to finance capital improvements.

**BONDS – GENERAL OBLIGATION** – a limited tax bond, which is secured by the City's property tax.

**BONDS – PROCEEDS** – Funds derived from the sale of bonds for the purpose of constructing major capital facilities.

**BUDGET** – Proposed plan of expenditure and revenue over a given period of time.

**BUDGET DOCUMENT** – The instrument utilized to present the City's comprehensive financial plan to the City Council and the public.

**BUSINESS CENTER** – Departments with like functions are grouped together in Business Centers in order to coordinate similar activities and improve customer service. The seven Business Centers are: Community and Neighborhood Services, Development Services, Employee Relations and

Special Projects, Financial and Technical Services, Fire and Life Safety Services, Police, and Public Works.

**BUSINESS IMPROVEMENT DISTRICT (BID) FUNDS** – A special assessment levied upon business owners within a district with specifically defined boundaries established by City Ordinance. These assessments finance improvements within the district.

**CAPITAL IMPROVEMENTS PROGRAM (CIP) BUDGET** – Authorized expenditures for tangible, long-term, physical improvements or additions of a fixed or permanent nature (e. g., an additional police or fire station, or a new street).

**CAPITAL IMPROVEMENT PROJECTS** – A capital improvement is generally a large construction project such as the development of park land, the construction of an overpass, the installation of a traffic signal, the acquisition of land, or the construction or remodeling of a City building. Funds for these projects are derived largely from issuance of bonds, water and sewer fees, a ½-cent local sales tax for transportation improvements, and developer impact fees.

**CITY MANAGER BUDGET MESSAGE** – The City Manager's memorandum to the City Council summarizing the most important aspects of the budget, including changes from the current fiscal year, and the goals, themes and priorities that are encompassed within the City's budget.

**CITYWIDE RESIDENT SURVEY** – A Citywide telephone survey that has been conducted on an annual basis since 1995 in which a representative sampling of San Diego residents were interviewed to determine their level of satisfaction with services provided by the City of San Diego.

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS** – Funds established to account for revenues from the federal government and expenditures as prescribed under the Community Development Block Grant Program.

## Glossary

**CHARGES FOR CURRENT SERVICES** – These revenues result from user fees for various City services. Library charges, golf course fees, filing fees for planning services, charges for engineering, and fire and police services are included.

**CONTINUING APPROPRIATIONS** – Funding approved in the current budget but not expended during that current budget year. These appropriations are carried forward into the next fiscal year for their intended purpose.

**DEBT SERVICE** – Payment of interest and principal on an obligation resulting from the issuance of bonds.

**DEPARTMENT** – A basic organizational unit of government which may be sub-divided into divisions, programs, and/or activities.

**DISBURSEMENTS** – Funds actually expended.

**DIVISIONS** – Organizational component of a department, possibly sub-divided into programs and activities.

**EFFICIENCY** – A relationship between the resource allocation (input) and the ultimate product or service delivered (output) for a particular activity. Usually expressed as “cost per service provided.”

**ENCUMBRANCE** – An encumbrance designates/reserves funds for a specific purpose as approved by the appropriate authority. When the goods and services are received, the encumbrance is released and an expenditure is recorded for the actual costs.

**ENTERPRISE FUND** – An accounting entity established to account for the acquisition, operation, and maintenance of governmental facilities and services which are entirely or predominately self-supporting.

**ENVIRONMENTAL GROWTH FUND** – This fund was established in accordance with Section 103.1a of the City Charter to receive 25% of all funds derived from the revenues accruing to the City from gas, electricity and steam franchises.

**EXPENDITURE** – The actual outlay of funding from the City Treasury.

**EXTERNAL OUTCOME** – A measure that is directly related to the mission statement of an Activity Group. The external outcome measures the impact that services have on the citizens and/or customers.

**FEDERAL GRANT FUNDS** – These funds were established to account for revenue from the federal government and expenditures as prescribed by grant provisions/agreements.

**FINAL BUDGET** – The City Council-approved plan for the City’s financial operations, which includes an estimate of expenditures and revenues for a given fiscal year.

**FINES, FORFEITURES AND PENALTIES** – These revenues result from violations of various City and state laws, and from those who damage City property.

**FISCAL YEAR (FY)** – Twelve-month term designating the beginning and ending period for recording financial transactions. The City of San Diego has specified July 1 through June 30 as the fiscal year.

**FUND** – A fiscal and accounting entity with a self-balancing set of accounts to record revenue and expenditures.

**GENERAL FUND (100 FUND)** - Accounts for normal municipal services and maintenance.

**GRANT** – A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block.

**INPUT** – Also referred to as “Resource Allocation”, it reports the amount of resources (e.g., personnel and non-personnel) that will be used to perform a specific Activity. Inputs can include, but are not limited to, salaries, capital, materials, supplies and energy costs.

**INTEREST AND RENTS** – These revenues result from investment earnings on City funds, parking meters, various franchise agreements, and contracts for use of City land and facilities.

**INTERFUND TRANSFERS** – A transfer of funds between departments/funds for specific purposes as approved by the appropriate authority.

**INTERNAL OUTCOME** – Specific quantified statement that is used primarily by internal management to assess ongoing performance by activity. It typically measures the effectiveness and efficiency of the organization in delivering services.

**INTERNAL SERVICE FUND** – A fund created to finance and account for a department's or division's work for other departments. The fund's expenses are repaid from fees or the fund transfers, thus keeping the original fund capital intact (e. g., Central Stores, Print Shop, and Transportation Department/ Equipment Division internal service funds).

**LANDSCAPE MAINTENANCE DISTRICT (LMD) FUNDS** – Property owners within a specified district are assessed for the purpose of financing maintenance of open space areas, street medians, rights-of-way, and in some cases, mini-parks and street lights.

**LEVY** – To impose taxes, special assessments, or charges for the support of City activities.

**LICENSES AND PERMITS** – This category includes revenue raised for the purpose of recovering the costs associated with regulating business activity. Many of these fees are regulatory in nature in order to ensure compliance with law.

**MISSION STATEMENT** – A broad statement describing the purpose of the department/division.

**NET TOTAL COMBINED BUDGET** – The City's total budget including operating and capital revenues and expenditures, reflecting General Fund, Special Revenue Funds and Enterprise funds, less interfund transfers activity, for a fiscal year.

**NON-PERSONNEL EXPENSE** – Expenditures related to supplies, services, and outlay.

**OBJECTIVES** – Precise results-oriented statements which are measurable and attainable within a specific stated time frame. These statements are used to establish the desired level at which an activity will be accomplished.

**OPERATING BUDGET** – Authorized expenditures for ongoing municipal services (e.g., police protection, street maintenance, and records storage).

**OTHER - LOCAL TAXES** – Taxes other than property tax. This category includes sales tax, property transfer tax, and the transient occupancy tax.

**OTHER REVENUES** – In this category are funds from the sale of assets other than real estate, and other miscellaneous revenues.

**OUTPUTS** – Are quantifiable units which represent the products or services provided when performing an activity.

**PERFORMANCE BASED BUDGETING (PBB)** – A system of budgeting that lists services by activities, identifies the resources that are applied to these activities, and describes how efficiently and effectively the City performs these services.

**PERFORMANCE MEASURE** – A performance measure measures work performed and results achieved. Types of measures include: input, output, efficiency, and internal or external outcomes.

**PERSONNEL EXPENSE** – Popularized term for Personal Expense or Personal Services. Expenditures related to employee compensation including wages and salaries, fringe benefits, retirement, and special pay, such as shift differential.

**POLICY ISSUES** – The addition, expansion, reduction, or modification of programs that have significant implications/impact to the City or public.

**PROPERTY TAX** – An “ad valorem” tax on real property, based upon the value of the property. In accordance with Proposition 13, secured property is taxed at the rate of 1% of assessed valuation, plus a rate sufficient to generate revenue necessary to pay for voter-approved indebtedness.

## Glossary

**PROPERTY TRANSFER TAX** – A tax imposed whenever the ownership of real property changes.

**PROPOSED BUDGET** – The City Manager’s recommendation for the City’s financial operations, which includes an estimate of proposed expenditures and revenues for a given fiscal year.

**REIMBURSEMENT** – Fees received as payment for the provision of specific municipal services.

**RESERVE** – An account used to indicate that a portion of a fund’s balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

**RESOURCE ALLOCATION** – Also referred to as “Input”, it reports the amount of resources (e.g., personnel and non-personnel) that will be used to perform a specific activity. Resources can include, but are not limited to, salaries, capital, materials, supplies and energy costs.

**REVENUES** – Funds received from various sources and treated as income to the City which are used to finance expenditures.

**REVENUES FROM OTHER AGENCIES** - This category includes revenues from federal grants, state grants and allocations, State Motor Vehicle License Fees, and reimbursement from the Unified Port District for services provided.

**SCHEDULE** – A summary of revenues and expenditures by fund.

**SPECIAL DISTRICT** – A designated geographic area established to provide a specialized service usually petitioned for by the citizenry and approved by the City Council (e.g., Open Space Maintenance).

**SPECIAL REVENUE FUNDS** – These funds account for revenues received that have specific purposes for which they can be used.

**TAX ANTICIPATION FUND** – Contains monies that are borrowed from the sale of Tax Anticipation Notes (TANS) on a short-term basis to meet the cash requirements of the City prior to the receipt of property taxes.

**TRANSFERS** – Transfers are the authorized exchanges of cash or other resources between organizational units.

**TRANSIENT OCCUPANCY TAX (TOT)** – A tax that is imposed on occupants of hotel and motel rooms in the City of San Diego.

**TRANSIENT OCCUPANCY TAX FUND** – A fund established to receive five cents of the ten and one-half cents of the Transient Occupancy Taxes collected.

**ZERO-BASED MANAGEMENT REVIEW** – A process that utilizes citizen review teams to conduct independent operational reviews of all City departments at least once every five years.

**ZOOLOGICAL EXHIBITS FUND** – This fund was established to expend monies for maintenance of zoological exhibits in Balboa Park and is financed from a fixed property tax levy authorized by Section 77A of the City Charter.